LNF & IHCIF Calculations Illustration

- Kickapoo of Texas in Oklahoma area -

Given Data

- 527 = 1998 user count
- $2,980 = National average cost per person (not including wrap-around costs)
- 90% = % Expenditures on purchased services, 10% = % expenditures in-house
- 97.5% = Cost index for purchasing health care in this geographic area
- 135.7% = Size cost index for in-house costs due to small or large size
- 96.9% = Oklahoma area cost index for health status above or below average

Cost Adjustment Calculations

- $2,615 per person for purchased services = 90% * 97.5% * $2,980
- $404 per person for in-house services = 10% * 135.7% * $2,980
- $3,020 per person total = $2,615 (purchase) + $404 (in-house)
- **$2,927 per person total** adjusted for health status = $3,020 * 96.9%
- **$2,182 per person net cost** = $2,927 - $745 Other resources (M&M&PI)

Existing Expenditures (for 527 users excluding wrap-around and collections)

- $1,893 per person = local IHS allowance (excludes $ for wrap-around)
- $77 per person = expenditures elsewhere in Oklahoma area on behalf of area users
- $54 per person = expenditures elsewhere in IHS on behalf of IHS users
- **$2,024 per person for OU users** = $1,893 + $77 + $54

LNF Calculation

- **69.1% Gross LNF** = $2,024 (expenditures) / $2,927 total cost (ignoring Medicare, Medicaid, PI spending on behalf of OU users)
- **92.7% Net LNF** = $2,024 / $2,182 net cost ($2,927 - $745 other)

IHCIF Allocation

- $0 = $ to raise LNF% from 92.7% to 60%
- $258,040,100 = aggregate $ to raise all locations to 60%
- 3.488% IHCIF fraction = $9,000,000 fund / $258,040,100 needed
- **$0 Allocation** = $0 needed for 60% * 3.488% IHCIF fraction

Kickapoo of Texas Unmet Needs

- **$1,149,872 Net Total Need** = 527 users * $2,182 net cost
- **$83,393 Net Unmet Need** = (100% - 92.7% LNF) * 527 users * $2,182 net cost